

**KINDER FOUNDATION GRANT AGREEMENT WITH HSPVA FRIENDS
AND THE HOUSTON INDEPENDENT SCHOOL DISTRICT**

EFFECTIVE DATE: October 13, 2016

By and Between

KINDER FOUNDATION
2229 San Felipe Street, Suite 1700
Houston, TX 77019

&

HSPVA FRIENDS
4119 Montrose Boulevard, Suite 210
Houston, TX 77006

&

HOUSTON INDEPENDENT SCHOOL DISTRICT
4400 West 18th Street
Houston, TX 77092

**KINDER FOUNDATION GRANT AGREEMENT WITH HSPVA FRIENDS AND
HOUSTON INDEPENDENT SCHOOL DISTRICT**

This Grant Agreement (this "**Agreement**") is entered into effective as of October 13, 2016 (the "**Effective Date**") and is by and between:

Kinder Foundation, a Texas 501(c)(3) non-profit, having its principal place of business at 2229 San Felipe Street, Suite 1700, Houston, Texas (together with any successors thereto, the "**Grantor**"); and

HSPVA Friends, a Texas non-profit 501(c)(3) organization, located at 4119 Montrose Boulevard, Suite 210, Houston, Texas (together with any successors thereto, "**Friends**"); and

The Houston Independent School District, a political subdivision of the State of Texas, with its central administrative offices located at 4400 West 18th Street, Houston, Texas ("**HISD**").

Friends and HISD may collectively be referred to in this Agreement as the "**Grantees**".

The Grantor, Friends and HISD are individually referred to herein as a "**Party**" and collectively as the "**Parties**."

WHEREAS Grantor is a charitable organization dedicated to providing transformational grants which enhance urban green space, quality of life and educational opportunities for residents in the greater Houston area; and

WHEREAS Friends is an organization established to cultivate support for HISD's High School for Performing and Visual Arts ("**HSPVA**") to enhance educational, professional, and artistic opportunities for students; and

WHEREAS HISD is a Texas public school district responsible for the education of children in Houston and other communities; and

WHEREAS Grantor will, in accordance with the terms and conditions of this Agreement, provide a grant to Friends for the costs of construction of certain facilities on the new HSPVA campus (the "**Campus**") and the partial funding of continuing capital costs for the Campus after construction, in exchange for which HISD has agreed to name the new Campus (wherever located now or in the future) "Kinder High School for the Performing and Visual Arts."

NOW THEREFORE, in consideration of the mutual covenants set forth in this Agreement, the Parties agree as follows:

This Agreement consists of the general terms and conditions stated herein and the following Exhibits that are attached hereto:

Exhibit A: *Activity and Scope of Work*; and
Exhibit B: *Naming Rights Clarifications & Exceptions*.

Friends has requested and Grantor has agreed to provide a grant in the aggregate amount of Seven Million Five Hundred Thousand and No/100 Dollars (\$7,500,000.00) or marketable securities of equivalent value (the "**Grant**") in five (5) distributions (each a "**Grant Distribution**" and collectively, the "**Grant Distributions**") in accordance with the provisions described below.

The Grant is subject to the following terms and conditions:

Article 1: Funding

Subject to the terms of this Agreement, Grantor will make (i) the First New Facility Grant Distribution of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) or marketable securities of equivalent value to Friends on November 1, 2016 and (ii) subsequent Grant Distributions on the dates set forth in Article 5 below, which notwithstanding anything stated herein to the contrary, shall be used solely for construction, renovation, or acquisition of the Campus in accordance with the definition of "major capital donation" as defined in the HISD Naming Policy Guideline (as defined in Article 7) (the "Purpose of the Grant"). Each payment of a Grant Distribution is herein referred to as a "**Funding**" and collectively as, the "**Fundings**".

Article 2: Activity and
Duties of Friends and
HISD

With respect to the First New Facility Grant Distribution, Second New Facility Grant Distribution, Third New Facility Grant Distribution and Fourth New Facility Grant Distribution (collectively, the "**New Facility Grant Distributions**"), during the Construction Period at the Campus, Friends will make distributions to HISD (the "**New Facility HISD Distributions**") solely to pay contractor draw requests corresponding to the tasks described in Exhibit A: *Activity and Scope of Work* (the "**Scope of Work**") and the pre-approved budget set forth in the "Pre-Approved Budget" column of the Scope of Work (the "**Pre-Approved Budget**"). With respect to the Future Facility Grant Distribution, after the Construction Period, Friends will make distributions from the Friends DACA in accordance with Article 6 below so long as such distributions are made in accordance with the applicable approved budget and are used solely to fund capital expenditures as provided herein.

In connection with the conditions of naming the Campus "Kinder High School for the Performing and Visual Arts", Grantees recognize and acknowledge that expenditures of the Grant may only be used for the Purpose of the Grant. HISD agrees that this Agreement is entered into in compliance with the HISD Naming Policy Guideline, and that the gift for the Campus through Friends

pursuant to the procedures set forth in this Agreement achieves the requirements of a "major capital donation" under the HISD Naming Policy Guideline. The Grantees expressly agree that in accordance with the Purpose of the Grant, the proceeds of the Grant may not be used for programmatic purposes or for operations and maintenance of the Campus, but may only be made for purposes for which HISD could make capital expenditures from bond funds (if the facilities were so financed). HISD acknowledges and agrees that the use of the term "capital expenditures" by HISD as a governmental subdivision may differ from the use by commercial enterprises, and "construction, renovation, and acquisition" of the Campus expressly includes major repairs and equipment (including but not limited to the purchase of programmatic equipment such as pianos or other musical instruments, audio-visual resources, computer programs, recording equipment, or theatre lighting), provided that any such enhancements have an expected life of multiple years. HISD acknowledges and agrees that it has reviewed the specific tasks to be carried out during the Construction Period as set forth in Exhibit A, and that such tasks are construction, renovation, or acquisition of the Campus from a "major capital donation" within the meaning of the HISD Naming Policy Guideline.

HISD hereby represents and warrants that this Agreement and the uses of the Grant described herein shall comply with all applicable laws and HISD policies, including the HISD Naming Policy Guideline.

Friends covenants that this Agreement and the uses of the Grant described herein comply with all applicable laws and HISD policies, including the HISD Naming Policy Guideline.

In accordance with the terms and conditions of this Agreement, Friends' duties hereunder are (i) to hold and invest the Grant Distributions in the Friends DACA, (ii) distribute to HISD the New Facility HISD Distributions, (iii) review from time to time the progress of construction and installation of the Campus facilities financed from proceeds of the Grant during the Construction Period and thereafter to review capital expenditures financed from the Future Facility Grant Distribution, (iv) to meet the reporting and information requirements of this Agreement, and (v) perform any other duties the Friends is designated to perform under this Agreement. If at any time Friends ceases to exist, whether by operation of law or otherwise, Grantor may, in its sole and absolute discretion, terminate this Agreement and/or require the balance of the Grant as of the date of such termination be paid

within thirty (30) days of such termination to such other 501(c)(3) organization or other organization as directed in writing by Grantor.

In addition to its other duties hereunder, HISD will carry out all construction or other work to be completed on the Campus, and neither Grantor nor Friends will be responsible for how HISD carries out such duties.

Article 3: Timing of Construction Period

The construction phase (the "**Construction Period**") for the Campus has commenced and is expected to be complete by July 31, 2019, and substantial completion will be evidenced by (a) certification from HISD's construction coordinator and (b) a copy of the "Certificate of Substantial Completion" executed by the architect for Campus, (which will terminate the Construction Period).

Article 4: Conditions Precedent

The First New Facility Grant Distribution is subject to each of the following having been satisfied prior to Funding by Grantor.

Friends shall:

- A. Provide adequate evidence to Grantor that Friends is a validly existing non-profit corporation under the laws of the State of Texas and an organization qualified under Section 501(c)(3) of the Internal Revenue Code (the "**Code**");
- B. Purchase or amend a commercial general liability insurance policy that satisfies the requirements set forth in Article 9 below; and
- C. Establish a restricted bank account in Friends' name that will be subject to the terms and conditions of a Deposit Account Control Agreement ("**Friends DACA**") to receive the Fundings and track expenses in accordance with the terms of this Agreement. All Funds in the Friends DACA must be invested in a money market or cash-equivalent investments only without written consent by Grantor. The Friends DACA shall be subject to review and/or audit by Grantor, upon request, to ensure compliance with the terms of the Grant and this Agreement.

HISD shall:

- A. Take formal action through a record vote of its Board of Education signifying its approval and acceptance of the terms of this Agreement, and HISD's commitment to use the Grant solely for the Purpose of the Grant;
- B. Provide a government determination letter and/or similar documentation to Grantor (i) establishing HISD's authority to accept the Grant and use it for the Purpose of the Grant and (b) granting HISD status equivalent to a 501(c)(3) for charitable deduction purposes;
- C. Purchase or amend a commercial general liability insurance policy that satisfies the requirements set forth in Article 9 below; and
- D. Establish a restricted bank account in HISD's name that will be subject to the terms and conditions of a Deposit Account Control Agreement ("HISD DACA") to receive the New Facility HISD Distributions and track expenses in accordance with the terms of this Agreement. All Funds in the HISD DACA must be invested in a money market or cash-equivalent investments only without written consent by Grantor. The HISD DACA shall be subject to review and/or audit by Grantor, upon request, to ensure compliance with the terms of the Grant and this Agreement.

Friends may not terminate the Friends DACA and HISD may not terminate the HISD DACA except by providing (i) prior written notice thereof to Grantor, and (ii) a replacement Deposit Account Control Agreement with a state or national bank or trust company subject to same terms and conditions to which all funds held in the Friends DACA or HISD DACA, as applicable, will be transferred. For all purposes of this Agreement, the replacement Friends DACA will thereafter be the "Friends DACA" and the replacement HISD DACA will thereafter be the "HISD DACA".

Article 5: Administration
of Grant Distributions

Subject to satisfaction of the conditions set forth in Article 4, Grantor agrees to disburse the Grant Distributions (in cash or marketable securities of equivalent value) in the following amounts and on or before the following times:

November 1, 2016: \$1,500,000.00 (“**First New Facility Grant Distribution**”)

January 3, 2017: \$1,000,000.00 (“**Second New Facility Grant Distribution**”)

April 3, 2017: \$500,000.00 (“**Third New Facility Grant Distribution**”)

June 1, 2017: \$2,250,000.00 (“**Fourth New Facility Grant Distribution**”)

October 1, 2018: \$2,250,000.00 (“**Future Facility Grant Distribution**”)

Total Grant: \$7,500,000.00

Funding of the Grant Distributions are further contingent upon the proper reporting and timely receipt of deliverables described in Article 6 below. Additionally, Friends shall provide a proper donor receipt to Grantor supporting the use of the funds as a qualified charitable contribution under Section 501(c)(3) of the Code within thirty (30) days after each Funding.

Article 6: Funding
Mechanics

Subject to the terms and conditions of this Agreement:

Funding of DACAs

A. Grantor will fund the Grant Distributions (and in the case of marketable securities, which shall be immediately sold and proceeds deposited) to the Friends DACA on the dates set forth in Article 5 above.

B. The Friends DACA shall provide that no funds may be released to Friends or any other person or entity and Friends shall not release any funds to any other person or entity, without the prior written authorization of Grantor, such authorization not to be unreasonably withheld. With respect to the New Facility Grant Distributions, prior to requesting Grantor’s written authorization of release of funds from the Friends DACA to the HISD DACA pursuant to the terms of this Agreement, Friends and HISD shall submit, in form and substance reasonably acceptable to Grantor, a (i) report detailing the proposed use of such funds (and budget reconciliation regarding each New Facility Grant Distribution prior to requesting a subsequent New Facility Grant Distribution) and (ii) certification confirming that the requested funds comply with this Agreement and that previously advanced funds have been

expended in accordance with the terms and conditions of this Agreement.

C. The HISD DACA shall provide that no funds may be released to any person or entity and HISD shall not release any funds to any person or entity without prior written authorization from Friends and Grantor, such authorization not to be unreasonably withheld. Prior to requesting written authorization of release of funds from the HISD DACA, HISD shall submit in form and substance reasonably acceptable to Grantor and Friends, a certification confirming that the requested funds comply with this Agreement, including without limitation Article 2, and that previously advanced funds have been expended in accordance with the terms and conditions of this Agreement. For purposes of this Agreement, Friends and HISD may provide one package that fulfills the requirements of this subsection C and the preceding subsection B.

New Facility HISD Distributions

A. The New Facility HISD Distributions shall be maintained in the Friends DACA until such funds are needed to fund (or reimburse HISD or Friends, as applicable, for a previously funded) contractor draw request in accordance with the specific line-items detailed in the Scope of Work and the Pre-Approved Budget. HISD shall submit such draw requests to Friends in connection with a request for release of funds and Friends will thereafter fund the applicable portion of the New Facility HISD Distributions being requested to the HISD DACA. HISD represents and agrees that Grant funds will be used solely for the Purpose of the Grant in connection with the Scope of Work and in accordance with the Pre-Approved Budget, and Grant funds will not be used to supplant or replace funds that HISD has budgeted or committed to construct and equip the Campus. Either Friends or Grantor may (but are not required to) review and/or audit expenditures from time to time to ensure that such expenditures comply with this Agreement, and HISD agrees to cooperate with such review and/or audit.

B. Upon completion of the Construction Period, HISD shall, automatically or upon the request of Friends, transfer any remaining funds in the HISD DACA to the Friends DACA.

Future Facility Grant Distributions

- A. After the Construction Period, and commencing at least sixty (60) days prior to the end of HISD's then-current fiscal year and continuing on an annual basis (or other time frame subject to Grantor's prior written approval), Friends shall submit to Grantor an annual budget (and after the first year, a budget reconciliation for the previous year) detailing the proposed use of the applicable portion of the Future Facility Grant Distribution being requested for the following HISD fiscal year. Grantor shall have thirty (30) days to review and comment on the proposed annual budget, and HISD shall have twenty (20) business days to review and comment solely on any proposed expenditures that are not in accordance with the Purpose of the Grant, if any. If Grantor fails to provide comments to Friends within such thirty (30) day period, then such budget shall be deemed approved by Grantor. If HISD fails to provide comments to Friends within such twenty (20) business day period, then such budget shall be deemed approved by HISD for the purposes described above. If Grantor and/or HISD comment on any portion of the proposed annual budget during the applicable comment period, then Friends shall revise the proposed budget to incorporate such comments and re-submit the budget for Grantor's and/or HISD's written approval (which shall not be unreasonably withheld). The budget submitted to Grantor and/or HISD in accordance with the preceding sentence will not be approved or deemed approved until Friends receives written approval from Grantor and/or HISD, as applicable. Friends may request an amendment to the approved budget no more than two (2) times in any twelve (12) month period and such amendment shall be subject to the approval process detailed above.
- B. Following approval of the annual budget by Grantor, Friends may, with respect to the Future Facility Grant Distribution, request Grantor's written authorization of release of funds from the Friends DACA (a "**Release Request**").
- C. Grantor agrees not to unreasonably withhold its consent to any Release Request so long as such request complies with the terms of this Agreement and:

- i. the amount of funds requested in the Release Request correspond with the applicable approved annual budget;
- ii. Friends certifies that all amounts requested pursuant to any Release Request (or included in any budget submitted to Grantor) complies with the Purpose of the Grant and the use of funds restrictions set forth in Article 2 above;
- iii. Friends provides a report certified to Grantor providing a reconciliation of the previous year's budget and the amount released thereto; and
- iv. All other required reports have been submitted as provided in this Agreement.

D. Friends agrees that (i) all funds released to Friends pursuant to a Release Request, shall be used as provided in the applicable approved annual budget and for no other purpose and (ii) all amounts contained in the Friends DACA shall be expended no later than July 31, 2029.

Article 7: Naming of Facility

Pursuant to HISD Policy CW (Local) (the "**HISD Naming Policy Guideline**") and all applicable laws (including the Texas Education Code, Section 11.156), HISD hereby represents that it is authorized to, and hereby agrees, that the official designation and identity of HSPVA shall, for all purposes, perpetually be designated as the "Kinder High School for the Performing and Visual Arts" or "Kinder HSPVA" (the "**Complex Name**"). Commencing on the Effective Date, HISD agrees to refer to and effectuate all necessary policies and procedures to cause HSPVA and the Campus (and any future campuses if HSPVA is moved to alternative facilities) to be identified only by the Complex Name and by no other name. Except as provided in Exhibit B: *Naming Rights Clarifications & Exceptions*, HISD shall cause all of its signage identifying HSPVA to refer to it exclusively as the Complex Name. HISD and Friends agree that all signage at the Campus that includes the name "Kinder" shall be subject to the reasonable approval of Grantor. HISD further agrees to use commercially reasonable efforts to cause all persons involved in operating, promoting, publicizing or otherwise describing HSPVA to refer to and identify HSPVA and the Campus only by the Complex Name. Commercially reasonable efforts include, without limitation, causing all descriptions and references to HSPVA in printed materials (including websites) used in connection with operating, promoting, fundraising or otherwise describing HSPVA (such as letterhead, websites, stationery, business cards, written announcements, publications, official

statements and reports, brochures, promotional items, marketing materials, schedules, public relations and media releases) refer to HSPVA and the Campus exclusively by the Complex Name. Notwithstanding any change to the HISD Naming Policy Guideline or other applicable law, HISD agrees to abide by the HISD Naming Policy Guideline in effect as of the Effective Date.

Notwithstanding any other provision contained herein to the contrary, this provision shall survive the expiration or earlier termination of this Agreement.

Article 8: Reports

During the Construction Period, Friends shall provide Grantor with a written report as to the status and/or results of the activities Scope of Work funded by the Grant including an accounting of all funds expended no later than sixty (60) days prior to the funding date of each New Facility Grant Distribution, and a final report will be due within sixty (60) days after the Campus is certified as substantially complete. Thereafter, Friends shall provide Grantor with a written annual report in connection with the budget reconciliation required pursuant to Article 6 above. The form and substance of such reports shall be reasonably acceptable to Grantor, but in all events shall provide reasonable detail of all sources and uses of funds related to the Grant. At Grantor's request, Friends and HISD agree to supply Grantor with such information as Grantor may require to review the use of the Fundings and their effect upon the public charity status of Grantor. In addition, Friends and HISD agree to furnish Grantor with any information concerning (a) the occurrence of an adverse event that may significantly affect the ongoing operations of either Friends and/or HISD; and/or (b) a proposed change in Friends' current classification as a public charity.

Article 9: Insurance

HISD and Friends will each maintain at all times during the term of this Agreement a commercial general liability policy in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate effected under a policy or policies issued by an underwriter which has an Alfred M. Best Company, Inc. rating of "A-" or better and a financial size category of not less than "VIII." The Kinder Parties (as defined under "Indemnity" below) shall be named additional insured on such policies.

Article 10: Compliance

Friends and HISD shall:

- a) Comply with any other information reasonably requested by Grantor with respect to the Scope of Work; and

- b) Promptly notify Grantor if it has any reason to believe that Friends and/or HISD may not be able to carry out the Scope of Work in accordance with this Agreement.

Article 11: Indemnity

HISD agrees, to the extent permitted by law, to defend, indemnify, and hold harmless Richard D. Kinder, Nancy G. Kinder, The Kinder Foundation, its officers, directors, employees, agents, representatives, consultants, members, and associates (collectively, the "**Kinder Parties**") against any loss or liability incurred by the Kinder Parties (including, any loss or damage to HISD property, and loss or expense incurred HISD in dealing with any claim against it) arising from any acts or omissions by HISD or its employees or agents in connection with its duties under this Agreement.

Friends agrees, to the extent permitted by law, to defend, indemnify and hold harmless the Kinder Parties against any loss or liability incurred by the Kinder Parties (including any loss or damage to Friends property, and loss or expense incurred by Friends in dealing with any claim against it) arising from any acts or omissions by Friends or its employees or agents in connection with its duties under this Agreement.

Notwithstanding any other provision contained herein to the contrary, the provision of this Article 11 shall survive the expiration or earlier termination of this Agreement.

Article 12: Cessation of Use of Funds

Friends' and HISD's right to use the Grant Distributions shall at all times be conditioned upon Friends and HISD being in compliance with this Agreement. Upon receipt of notice from Grantor that there has been a failure to comply, Friends and HISD shall immediately cease the use of any remaining Grant Distribution and shall not be permitted to resume the use of any remaining Grant Distribution until Friends and HISD have delivered satisfactory written evidence to Grantor and have received written permission to resume the Scope of Work and use of the Grant by Grantor.

Article 13: Renewal and Replacement Fund

Upon the prior written authorization of Grantor, any amounts held in the Friends DACA after completion of the Construction Period shall be held and invested by Friends in accordance with the use of funds restrictions for the Future Facility Grant Distribution described in Article 2 above. Earnings on Grant amounts held in the Friends DACA shall be maintained therein, and shall be used for the Purpose of the Grant.

Article 14: Termination

Grantor may terminate this Agreement in its entirety in the event either or both of the following occur (upon any such termination an accounting of the Grant shall be prepared by Friends and HISD):

- a) Failure to comply with any of the terms of this Agreement and the subsequent failure to cure such condition(s) within fifteen (15) calendar days of receiving notice from Grantor; and/or
- b) Any breach or default by Friends and/or HISD and the failure to cure such breach or default within thirty (30) calendar days of receiving notice from Grantor.

In the event this Agreement is terminated, Friends and/or HISD shall return the balance of the Grant as of the date of such termination within thirty (30) calendar days after such termination to Grantor or such other 501(c)(3) organization as directed in writing by Grantor.

Except for the provisions herein that expressly survive the expiration or termination of this Agreement, this Agreement will terminate on the date that the balance of funds in the Friends DACA is \$0. Notwithstanding the termination of this Agreement, either upon expiration or for cause, the conditions placed on the use of the Grant are conditions of the Grant, and will remain effective until the entire Grant (or if less, then the amount so funded) has been expended for the purposes set forth herein.

Article 15:
Representations and
Warranties

The Parties hereby represent and warrant to each other that this Agreement:

- a) Has been validly executed and delivered by such Party;
- b) Has been duly authorized by all corporate, company, partnership or other action necessary for the authorization of such execution by such Party; and
- c) Constitutes a valid and legally binding agreement of such Party, enforceable in accordance with its terms.

Article 16:
Complete Agreement

This Agreement constitutes the entire agreement of the Grantor, Friends and HISD relating to the Grant contemplated by this Agreement and supersedes all prior contracts, agreements or understandings with respect to those matters, whether oral or written.

Article 17:
Arbitration Clause

The Parties shall attempt to negotiate in good faith and fair discussions any conflict under this Agreement within sixty (60) days of written notice of a claim or dispute. Arbitration shall be the sole and exclusive remedy for resolving any claims or disputes which cannot be mutually agreed upon or resolved between the Parties to this Agreement. Should the Parties be unable to resolve the claim, then Grantor shall decide the location for arbitration by a panel of three (3) arbitrators, in the city of Houston, Harris County, Texas, in the English language, which shall be conducted on a confidential basis per the Commercial Rules of the American Arbitration Association. The arbitration award shall be binding, final and conclusive.

Article 18:
Communications

Grantor retains the right to release information regarding this Grant to any public media. Permission is hereby granted for Friends and HISD to use information and details contained in Exhibit A for press releases. In the event a proposed release is to contain additional information then Friends and/or HISD shall submit the proposed release to Grantor for approval prior to publication or broadcast. Grantee agrees to forward to Grantor copies of any news releases, published materials or media articles mentioning this Grant that come to Friends' and/or HISD's notice or attention.

Article 19:
Assignment

This Agreement and the rights and benefits hereunder may not be assigned by any Party without the prior written consent of the other Parties, such consent to be in the discretion of each non-assigning Party.

Article 20:
Fees and Expense

Each Party shall bear and pay all costs and expenses (including all fees and expenses of consultants, legal advisors, brokers and investment bankers, if any) incurred by it in connection with this Agreement and the Grant.

Article 21:
Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without regard to any conflict of laws rule or principle that might refer the governance or construction of this Agreement to the laws of another jurisdiction. Except for the waiver of any immunities accomplished by contracting, no Party waives any defences or immunities that it may otherwise have under the laws of the State of Texas by entering into this Agreement.

Article 22:
Notices

All notices, requests or consents provided for or permitted to be given under this Agreement must be in writing and are effective on actual receipt by the intended recipient or by delivery to the

address for the recipient listed below their signature line below by registered mail, return receipt requested. The notice address may be changed from time to time by notice to the other Parties. In the event that some other method of notice becomes commercially prevalent at a future date, then the Parties may agree to give notice by such method by letter agreement without formal amendment of this Agreement.

Accepted by:

Kinder Foundation

Nancy G. Kinder

Signature

NANCY G. KINDER

PRESIDENT

Name / Title

2229 SAN Felipe Suite 1700

HOUSTON, TX 77019

Address

10-6-16

Date

Accepted by:

HSPVA Friends:

Roszar Bogiart

Signature

Roszar Bogiart - President

Name / Title

4119 Montross Blvd. Ste 210

HOUSTON, TX 77006

Address

10-6-2016

Date

Accepted by:

Houston ISD:

Mark Rapp

President, Board of Education

ATTEST:

MA
Secretary, Board of Education

10/6/16

Date

Exhibit A - Activity and Scope of Work

Activity		Pre-Approved Budget*
Performance Spaces		
MINI THEATER complete buildout		\$ 463,955
THEATER SEATING in Main Theater balcony		\$ 96,749
ENHANCED THEATER SEATING in Recital Hall and Main Theater main floor		\$ 137,428
ACOUSTICAL PANELS in Orchestra Pit		\$ 10,994
DRYWALL REVEALS in Main Theater		\$ 20,889
ORCHESTRA PIT LIFT		\$ 275,840
AUDIO/VISUAL INFRASTRUCTURE		\$ 219,884
AUDIO/VISUAL EQUIPMENT for Main Theater, Recital Hall, Mini Theater, Black Box, Recording Studio, Music Rooms and Dance Rooms		\$ 1,696,956
ENHANCED THEATER LIGHTING		\$ 375,428
WALL AND CEILING SHAPING in Recital Hall		\$ 10,994
	Performance Spaces Total	\$ 3,309,117
Art Area Classroom Needs		
MUSIC PRACTICE ROOMS including sound proofing		\$ 177,974
MUSIC INSTRUMENT STORAGE		\$ 58,500
SPRUNG DANCE FLOOR in dance studios and drama movement studios		\$ 84,545
PAINT BOOTH for the scene shop		\$ 6,597
	Art Area Classroom Needs Total	\$ 327,616
General Building Enhancements		
GRAND STAIR ENHANCEMENTS including ticket and concession stand		\$ 21,988
COMMUNICATING STAIR between 4th and 5th floors		\$ 58,269
ENHANCED WINDOW TREATMENTS		\$ 74,761
ENHANCED CEILING in Dining Area		\$ 15,392
OUTDOOR STUDENT AND FACULTY COMMON AREAS		\$ 169,311
DINING TERRACE PAVERS		\$ 24,187
ART AREA ENVIRONMENTAL GRAPHICS		\$ 82,457
SENIOR PHOTO WALL SYSTEM		\$ 5,497
EXTERIOR SITE FURNITURE		\$ 36,414
	General Building Enhancements Total	\$ 488,276
		Subtotal \$ 4,125,009
	Escalation 8% per year (2x years)	16.00% \$ 655,127
		Subtotal \$ 4,780,136
	Contingency	2.00% \$ 95,603
		Total \$ 4,875,739

*Budget may be amended as construction progresses, to include capital expenses that had not been priced out at the time of the agreement.

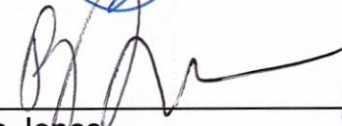
Exhibit B: Naming Rights Clarifications and Exceptions

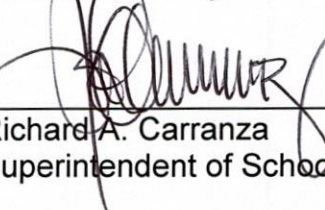
- The new name “Kinder High School for the Performing and Visual Arts” will officially go into effect on the day the Campus opens, however, HISD and Friends shall immediately start the transition of referencing the new name in print and on other materials regarding the Campus as of the Effective Date.
- Exterior signage will be developed for the Campus prior to opening, which will include a sign or signs on the building face and may include a monument sign. All exterior signage will be mutually approved by HISD, HSPVA, Friends and Grantor.
- It is understood that the students, alumni and faculty frequently refer to the school as “HSPVA” or “PVA” verbally, in social media and in informal school communications, and that this habit may or may not change overtime.
- The current round HSPVA logo is considered the “legacy logo,” and may be used in the future in the Campus in a context that is appropriate; ie – the history of the school, in conjunction with a typed version of the new name of the school, etc.
- Friends has contracted with Gensler to develop a new school branding package, including a logo and visual identity, which will be mutually approved by HISD, HSPVA, Friends and Grantor. This new branding will use the new name(s) “Kinder High School for the Performing and Visual Arts” or “Kinder HSPVA.” The new branding package will go into effect with the official name change on the day the new Campus opens.
- The current black and white bumper stickers which read “The High School for the Performing and Visual Arts” are considered “legacy promotional items” and may continue to be offered after the Campus opens, along with an updated version which reads “Kinder High School for the Performing and Visual Arts”.
- When the new Campus opens:
 - On the exterior of the school, the large block letters that spell “HSPVA” will remain as designed.
 - On the donor wall inside of the school the Kinder Foundation will be recognized as a major donor at the appropriate level and to the extent the school name is displayed within the interior of the school, the full name “Kinder High School for the Performing and Visual Arts” will be used.

KINDER FOUNDATION, HSPVA FRIENDS, AND
HOUSTON INDEPENDENT SCHOOL DISTRICT GRANT AGREEMENT

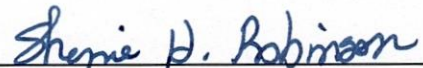
HOUSTON INDEPENDENT SCHOOL DISTRICT

By:  10-18-16
Manuel Rodriguez Jr. Date
Board President

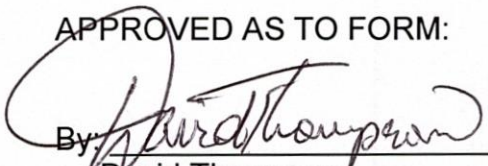
By:  10/16/16
Jolanda Jones Date
Asst Board Secretary

By:  10/31/16
Richard A. Carranza Date
Superintendent of Schools

APPROVED AS TO FUNDING/BUSINESS TERMS

By:  10-31-2016
for Kenneth Huewitt Date
Deputy Superintendent and Chief Financial
Officer

APPROVED AS TO FORM:

By:  Oct 17, 2016
David Thompson Date
Thompson & Horton LLP